

MENZ BONNER KOMAR & KOENIGSBERG LLP

ATTORNEYS AT LAW
444 MADISON AVENUE, 39TH FLOOR
TEL: (212) 223-2100 NEW YORK, NEW YORK 10022 FAX: (212) 223-2185
WWW.MBKKLAW.COM

MEMORANDUM

To: Files

Date: September 24, 2013

Re: Brutus/Chandra Files

On September 17, 2013, Relator received 79 files from Anshuman Chandra. Nine of the files appear to be possibly attorney work product and have not been reviewed or analyzed. Many of the remaining 70 are described in the numbered paragraphs that follow.

1. Performance Summary-Iran (SNPC) spread sheets. There are 50 spread sheets with this title numbered at the end of each document title.

Report 1, dated March 20, 2012, summary tab, lists transactions in 2012 with IFIC Holding Ag (identified by OFAC as an Iran government entity in August 2010), Parsian International Establishment, Iran Aseman Co. (an airline), and Mapna International Fze. Under the RM Summary Tab, these entities are listed by name and SCI code, but the transaction details are hidden. To reveal these details, place the cursor over the SCI code number, then right click on the mouse, a box will pop up with a list of options, the last of which is "Show Fields List." Click on that item and a box shows up in the right of the screen entitled "Pivot Table Field List," which shows a series of fields with a box you can check to reveal more data. To uncover the dates for the transactions, click on the "Deal Date" item. When this is done, the data shows that on January 31, 1012 and February 29, 2012, SCB had transactions with Iran Aseman (code

MENZ BONNER KOMAR & KOENIGSBERG LLP

September 24, 2013

Page 2 of 4

2226855); Parsian International (code # 2625474); IFIC Holding AG (code # 3294676); and MAPNA International (code # 7024762).

These entities show up in many of the 50 spreadsheets, but in many cases, the names are not included after the first 5 spread sheets; only the code numbers are used. For example, No. 5, uses only the code number 7024762 (MAPNA) on the RM Summary which shows revenue \$29,000 from foreign exchange transactions that took place on January 13, 2011, February 10, 2011, April 6, 2011, and April 19, 2011. Spread sheet No. 11, RM Summary, shows that there were term deposits for Iran Aseman (222685) on January 31, 2011, February 28, 2011, March 31, 2011, and April 30, 2011 (lines 52-55, column N). On the RM Summary page, the CCY and CTRCCY fields, when revealed, show EUR and USD for the MAPNA code (7024762), with deal dates of January 13, 2011 and February 10, 2011. While we understand that SCB contends that its financial statements are denominated in US Dollars for accounting purposes, these spread sheets may not be listed in USD for bookkeeping purposes. That is because other currencies (SGD, KSD, GBP) appear in this field for other clients. Also, many of the CCY fields are empty.

Report 2, dated December 31, 2008, identifies Petropars Limited, Khouzestan Steel Company, Parsian High Voltage, and Mapna International as top customers.

Report 37, sheet 3: when the CCY and CTRCCY fields are revealed, totals are reported for USD FX trades.

Report 38, has a tab for “Gold Loans” for the Iran business unit.

MENZ BONNER KOMAR & KOENIGSBERG LLP

September 24, 2013

Page 3 of 4

The spread sheets also list non-Iranian companies, such as United Arab Shipping and Kuwait Projects, probably due to their role in supporting a letter of credit. Kuwaiti Dinar (KWD) was used in some of these trades. KWD is pegged to the U.S. Dollar.

Chandra reported that the Kuwait companies noted in the Iran business unit sheets are credited with FX sales. These entities were facilitating as a fronts for payments to Iranian suppliers via letters of credit through United Arab Shipping and others. The performance summaries are organized with two layers of businesses, with Iran domiciled companies near the top and a sub-category of Kuwait companies. The Kuwait companies are FX USD sales and the Iran income is attributed to short terms deposits. This is apparent in the first 5 documents.

2. Sundry.xls. This spreadsheet lists over 20,000 foreign exchange records from late 2011 through 2012, with trade ledger details of time, date, and FX pairs. Many of the transactions do not include counterparty information, which would have prevented the NY desk from being able to ascertain the counterparty on those trades. Column BB provides trade information to help resolve the issue, but many comments still state “unknown ID.” Other comments explain why the trade was placed in Sundry account. Note line 128, a Wash trade, indicates trader was unknown. Line 218, also a Wash trade, no client identified.

3. MENA April to Dec 2012 spread sheet. Tab GCS, Transactions with IFIC Holding AG show up at lines 281026, 281027, 281033 and 281044: this shows a trade in Euros on July 5, 2012. The spread sheet also has many references to the Islamic Development Bank.

4. GCS MENA 2012-01-01 spread sheet. IFIC Holding AG listed at lines 897 and 900. Marking term deposits with negative margin is unusual.

MENZ BONNER KOMAR & KOENIGSBERG LLP

September 24, 2013

Page 4 of 4

5. **Iran Air T(erm) S(heets).** These are undated, but Relator understands that SCB did not have an aircraft leasing team until 2009.

6. **Depos 19th August spreadsheet.** Shows EUR/AED trades with IFIC and Mapna.

7. **Saderat Client Agreement.** This document is undated, and it appears the date was removed. Chandra should be asked if he knew if and how the date was removed from the document.

8. **Al Rajhi Documents: CMP Deposit Agreement and S2bX Legal Agreement Emails:** Chandra provided many documents that refer to the Al Rajhi Bank, a Saudi bank. It might be useful to ask him why he provided this information. HSBC stopped doing business with Al Rajhi in 2010. The emails in this document are dated 2012.

9. **UnitWise Vs DPL Recon_31 May-2011 spread sheet.** This shows FX trades through the Iran business unit totaled in the bottom tab labeled “other.” The totals on this sheet were likely based on the FX transactions listed in the other tabs. The tab labeled “FX-OPTION,” column O, P, Q, and V refer to Iran and identifies the relationship manager. Also, column C refers to Bank D’Algerie, which Chandra has described as a “front.”

David A. Koenigsberg